



**CITY COUNCIL**  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

ORDINANCE \_\_\_\_\_  
BILL 54 (2020)

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**A BILL FOR AN ORDINANCE**

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TO AMEND CHAPTER 8, ARTICLE 13, REVISED ORDINANCES OF HONOLULU, 1990, AS AMENDED RELATING TO COUNTY TAX CREDIT.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to update and amend the eligibility requirements regarding the verification of income documents needed to approve the application of the real property tax credit to certain homeowners.

SECTION 2. Section 8-13.3, Revised Ordinances of Honolulu 1990, is amended to read as follows:

**"Sec. 8-13.3 Administration**

- (a) The director shall determine the eligibility of the owner for a tax credit upon review and verification of each application for the tax credit. The application form will be as prescribed by the director. To verify information in the application, the director shall require proof of the income of each of the titleholders. The director shall require that each titleholder provide copies of: (1) a tax return transcript from the Internal Revenue Service, or a copy of Form 1040 U.S. Individual Income Tax Return if a tax return transcript cannot be obtained, (2) a tax account transcript, if applicable, from the Internal Revenue Service, or a copy of Form 1041 U.S. Income Tax Return for Estates and Trusts, if a copy of the tax account transcript cannot be obtained, and (3) any accompanying forms and schedules as the director may require to verify the veracity of the transcripts. For titleholders who did not have to file and therefore did not file an income tax return under Hawaii income tax law and under Internal Revenue Service regulations, the director shall require proof of the titleholders' income, which may include bank statements or other financial records as verification. The director may require proof of nonreceipt of income from relief programs such as social security, welfare, and unemployment compensation, etc. and may require such authorization from the titleholders to enable the director to fully verify the titleholders' income. The applicant may refuse to provide such records, information or authorization. However, upon the applicant's refusal to submit a true and complete application, the director may deny the application for a tax credit. Notwithstanding any provision to the contrary, there will be no appeal from such a decision of the director to deny an application due to the applicant's refusal to provide records, information or authorization.



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- (b) The owner's application for a tax credit must be filed on or before September 30<sup>th</sup> for a credit upon taxes due in the immediately succeeding tax year. The application must require the certification by the owner that:
  - (1) The requirements of Section 8-13.2 under which the credit is applied for will be fulfilled throughout the succeeding tax year; and
  - (2) The owner's property will continue to qualify for a home exemption under Section 8-10.4 throughout such year.
- (c) The director shall determine if the owner qualifies for a tax credit before December 31<sup>st</sup> preceding the tax year and, in the event the application is denied, the director shall notify the applicant in writing on or before the December 31<sup>st</sup> date.
  - (1) If an application for a tax credit is granted, the director shall apply the credit to the property tax bill issued pursuant to Section 8-3.2, apportioned in two equal parts between the two installments of taxes due pursuant to said section.
  - (2) If an application for a tax credit is denied, the director shall:
    - (A) State the basis for denial; and
    - (B) Unless the denial is unappealable under subsection (a), inform the applicant that the director's decision may be appealed, and the procedure and deadline for appeal."

SECTION 3. Ordinance material to be repealed is bracketed and stricken. New material is underscored.



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SECTION 4. This ordinance takes effect upon its approval and applies to the tax year beginning July 1, 2021 and thereafter.

INTRODUCED BY:

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DATE OF INTRODUCTION:

JUL 2 2020

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Honolulu, Hawaii

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Councilmembers

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
Deputy Corporation Counsel

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

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KIRK CALDWELL, Mayor  
City and County of Honolulu